

# OUTBREAK OF NEW CRIMES DUE TO THE VOLSTEAD LAW

## U.S. ONLY SEEKING RIGHTS IN YAP AS A CABLE LANDING

Makes No Claim to Ownership in Island That Germany Owned.

OPPOSES JAPAN'S VIEW.

France and England Sympathetic With the Position of Mikado's Government.

By David Lawrence.  
(Special Correspondent of The Evening World.)

WASHINGTON, Feb. 24 (Copyright, 1921).—The United States Government demands freedom of cable communication across the Pacific to the Far East and insists that the important way station on the small island of Yap shall not be given to Japan by the League of Nations.

The American Government in its latest note does not ask that Yap be given to the United States but that the island be internationalized so that it will always be under the joint control of the great powers, Great Britain, the United States, France and Japan.

The United States contends that Japan never had any right under international law to seize the trans-Pacific cable at Yap and that the status which existed before the war shall be restored.

Back of the entire question of cable communication through the island of Yap is a greater and even more involved controversy over the cutting of the German cables in the Atlantic. The American companies contend that both England and France have seized these Atlantic cables unlawfully, and are to-day depriving the people of the United States of direct cable communication which is so important to commercial intercourse with Germany and Central Europe.

ENGLAND AND FRANCE SYMPATHIZE WITH JAPAN.

In other words, England and France have a reason to be sympathetic with the Japanese viewpoint rather than the American, so far as the legality of the seizures of cables is concerned, but England and France, on the other hand, have to decide whether they too will maintain communication with their own interests in the Far East only by having most of their messages pass through Japanese territory.

The situation in the Pacific which has precipitated the American note to the Council of the League of Nations is best described by Clarence H. Mackay, President of the Commercial Cable and Postal Telegraph Company, which owns the Pacific cables that are at the bottom of the controversy. "A company owned in Germany but largely supported by Dutch capital and subsidized by the German and Dutch governments, owned cables running from Guam (owned by the United States) to Yap, there diverging, one line going south to the Dutch Indies and the other going north to Shanghai.

"We operated the Guam end of that cable under a contract with the German-Dutch company. All messages for the Dutch Indies went via Yap under normal conditions, and during interruptions of our cable between Guam and Manila, which cut off all communication with the Philippines and China by our route, we diverted traffic via Yap to Shanghai over this German-Dutch system.

Hence these cables were very important in maintaining uninterrupted communication with China and the Philippines, and the seizure of Yap by the Japanese and the diversion of the cable into one of the Japanese hands deprive us of this alternative route. There was only one other alternative route to China and that was via Japan.

U. S. MESSAGES WOULD PASS THROUGH JAPAN.

"If Japan continues to retain the Yap-Shanghai cable it will mean that all traffic destined to China and the Philippines during interruptions of our Guam-Manila cable will have to pass through Japan, and the volume of traffic to the Philippines would not justify the laying of such a cable, which would be practically idle most of the time.

"The same arguments as to the interference with American cable communication applies here as to the seizure of the German-Atlantic cables. No part of the cables in the Pacific, headed American, sold, but one end owned American territory (Guam) and yet the Japanese have seized this German-Pacific cable system to the detriment of American trade with China and the Philippines and the advantage to their own. I strongly submit that the United States in consideration of its cooperation in the war should not be affected by being deprived of an important alternative means of communication with China and the Far Eastern possessions, the

## New Secretary of the Navy in Marine Uniform; Shown Addressing Recruits During the War



SGT. DENNY ADDRESSING RECRUITS—PARIS 1918

Philippine Islands, which it enjoyed before the war."

The island of Yap is really worthless, except as a place for a cable landing, because the distances in the Pacific are so great that to reach the far East, the cables are landed first at Honolulu, then the island of Midway, then Guam, and finally Yap, where the northward cable goes to Shanghai and the southward cable goes to the Dutch East Indies by way of the Philippines. Should Japan get control of the island of Yap, it would be free to refuse permission for a landing of any cable except one owned by Japanese interests and could thus practically compel the sale of the north end of the present cable to the Japanese.

Whoever gets possession of the island of Yap gets the key to trans-Pacific cable communication. The United States is not anxious for that control itself, but merely wants to have Yap internationalized so that no nation can have an undue advantage.

NO FORMAL OFFER MADE TO HOOVER, SAYS HARDING

He has entrusted to me, I must be free to continue the work of the American Relief.

"If I take the post I expect the President to stand by me in all the constructive propositions I have made. This does not mean necessarily that there shall be additional legislation but that I want and expect a free hand."

Concerning his continuance as Director of European Relief, Mr. Hoover said: "The American people have entrusted me with the responsibility of from \$30,000,000 to \$40,000,000 to aid the 3,000,000 starving orphans and women of Europe. I am an executive director of eight or ten societies engaged in this relief work, and I cannot abandon that work until it is finished, even if I am accepted for the post of Secretary of Commerce."

"I feel it is a duty that I owe to the American people and I have made this clear to Senator Harding."

## HETTRICK'S CASE GOES TO THE JURY

Justice McAvoy's Charge Ended at 2 o'Clock After Stinson's Charge.

The cases of John T. Hettrick, Herbert Smith, President of the Master Plumbers' Association, and William Chapman and William J. Doherty, labor union officials, went to the jury at 2 o'clock this afternoon following a charge by Supreme Court Justice McAvoy. The evidence against the defendants, who were indicted as a result of the Lockwood investigation, was summed up by Col. Henry L. Stinson.

"It was brought out in the trial that two methods—automatic and strong arm—were used under Hettrick's code of practice to crush competition among plumbing contractors," Col. Stinson said.

The "insurance" and "average of business" plan on which Hettrick built his "code of procedure" were clear evidences of a more sinister purpose, he said, and gave Hettrick power to humiliate any contractor who did not obey his dictation.

ADD \$100,518,686 TO NAVAL BILL AS SENT TO SENATE

Personnel Raised From 100,000 to 120,000—Aviation Fund Nearly Doubled.

WASHINGTON, Feb. 24.—The Naval Appropriations Bill, approved to-day by the Senate Naval Committee, carried an increase of \$100,518,686 over the bill passed in the House. The Senate bill totals \$496,023,120.

An increase in Navy personnel from 100,000, as provided in the House bill, to 120,000 was recommended. Pay of the Navy was fixed at \$151,359,253, an increase of \$21,187,902.

The Senate Committee provided \$1,500,000 for the naval base at Alameda, Calif., \$1,000,000 for the air station at Sand Point, Wash., and \$1,000,000 for the submarine base at San Pedro, Calif.

Aviation, heretofore, has held only the dignity of a "division" in the Navy Department. The Senate bill provides for the appointment of a Chief of Bureau, Establishment of an Aviation Bureau, which has been urged by naval air officers, would operate against the movement to unite army and navy aviation in a separate air department.

The appropriation for aviation is increased from \$6,913,421 to \$13,735,000, and provision is made for construction of two airplane carriers, \$15,000,000 being appropriated to begin work on them.

Development of a submarine and destroyer base on the island of Guam in the Pacific, with provision for mine and ammunition storage, and an appropriation of \$1,459,000.

Other appropriation amendments include: Increase for naval training station, Yonkers Island, Calif., from \$125,000 to \$150,000; appropriation of \$1,000,000 with authorization for continued construction of naval base at Rhode Island training station; increase from \$400,000 to \$500,000 for Great Lakes training station; \$307,000 for submarine base at Key West, Fla.

## WITNESSES "FIXED," SAYS PROSECUTOR

The trial of Harry J. Walsh and Patrick Burke, suspended detective sergeants, charged with conspiracy to obtain money from Brooklyn saloon keepers by posing as prohibition agents, was interrupted again to-day. Andrew Gunthy, a government witness, testified that he could not identify the defendants as the men to whom he said he had paid \$20 last July for protection at his saloon, 46th Street and 7th Avenue Brooklyn.

Assistant United States Attorney Collins asked for a recess so that he could compare the court testimony of Gunthy with his testimony before the grand jury, where he is said to have identified Walsh.

Two other government witnesses in the case failed to identify the defendants Monday and Collins told Judge Garvin he believed all the government witnesses had been "fixed."

## HARDING TO MAKE MANY SHIFTS IN EXECUTIVE WORK

Plans a Complete Reorganization of the Machinery of the Government.

ST. AUGUSTINE, Fla., Feb. 24 (Associated Press).—As President-elect Harding completes formation of his Cabinet he is giving increasing attention to the first big administrative task he will undertake as President—the reorganization of the executive machinery of the Government.

In selecting his Cabinet Mr. Harding has kept the reorganization plans constantly in mind and he will insist that every Secretary give operation in securing an efficient redistribution of executive functions. He is understood to feel that jailousness among department heads has prevented some needed reforms in the past and to be anxious that the members of his official family work rather for the good of the whole Government than for the prestige of any one branch of it.

It is known that Mr. Harding has in mind sweeping changes in many of the Government's departments and bureaus, and that he expects to enact in the work of reorganization some of the ablest administrators he can find. He is understood to have told some of his advisers that he regards the chairmanship of the reorganization commission as a post virtually on a par with a Cabinet portfolio.

Congress already has created a committee to work out a plan for simplification of the executive branch with a view to preventing duplication of work and cutting down the Government payroll. It is expected that this committee will work in close co-operation with the reorganization agency to be appointed by Mr. Harding, though the latter body will be able to give its undivided attention to the task and to make a more exhaustive study of conditions than would be undertaken by members of Congress.

Some mention of the reorganization project is expected in Mr. Harding's inaugural address and it is possible that some enabling legislation may be requested of the special session of Congress that is to meet in April.

One of the biggest innovations to be proposed will be the establishment of a separate department of public welfare, for which Mr. Harding outlined his plans in a general way during the campaign. He contemplates the transfer to this department of several of the bureaus now working under other departments, and in addition there are to be a number of entirely new bureaus to deal with various welfare problems.

A division of industrial research is to be built up, possibly taking over some of the present functions of the Bureau of Foreign and Domestic Commerce, to make a comparative study of prices and industrial conditions throughout the world. It is believed it will be possible, on the other hand, to abolish entirely some of the existing sub-divisions of the executive departments, or at least to combine them with other agencies now duplicating a large part of their work.

Involved in the task will be many broad questions of permanent policy, such as the proposal to abolish the Shipping Board and put a different sort of executive body in its place. One suggestion that has been made to the President-elect is that the various Government agencies now dealing with shipping and railroad matters be brought together in a new executive department of transportation.

## VOLSTEAD LAW VIOLATIONS INCREASE, BUT QUOR TRAFFIC GOES DOWN OPENLY

(Continued From First Page.)

shals, other public officials and enforcement agents have been indicted for accepting bribes, for extortion and attempted extortion.

Congressman Good, Chairman of the Appropriations Committee of the House of Representatives, has charged on the floor that enforcement has broken down and that there are more wets than dries among the enforcement agents.

Attempted enforcement of the act has encouraged forgery and counterfeiting. It has bred hundreds of thousands of moonshiners and bootleggers. It has created new forms of banditry and lawbreaking. And, whether the Volstead act is to be blamed or not, the country has passed through, in the year closing Feb. 22, a wave of capital crime which has no parallel in the history of the United States.

Only a short time ago graft and bribery were traced into the office of Prohibition Enforcement Agent O'Connor in this city and into many other offices of enforcement agents.

Bogus enforcement agents are operating in all the large cities. Bootlegging has become a regular pursuit, bringing in vast profits. News items covered by The Evening World's investigation, coupled with knowledge of actual conditions, establish the conclusion that while thousands of saloons have been closed in this city and State, thousands of other places which have been frequently raided are still open and selling liquor.

The survey of the news clearly establishes that there was very little compliance with the law immediately following its passage. The expectation that "the saloons would close up simply because Congress had passed the Volstead act failed to materialize.

On the contrary, news developments as early as Jan. 22, 1920, showed that bogus Prohibition agents were already at work, that numerous illicit stills were in operation, and by Jan. 31 arrests were made of persons accused of accepting bribes from saloonkeepers.

That preparations had been made for violating the law is shown by the fact that smuggling of "booze" into Florida from the West Indies was discovered in February, 1920. It is still a flourishing industry. "Booze" bandits made their appearance in March, and on March 13 Stewart Mullen, an ex-convict employed as a prohibition agent, killed a chauffeur named Charlton in a whiskey raid in Yorkville.

In April the police reported feverish activity of bands who invaded bars, rooms, pool rooms and social clubs and held up as many as 100 people at a time at the points of revelry. In May physicians all over the country united in protest against the provisions of the Volstead act restricting the prescribing of liquor for the sick.

Forged permits for the withdrawal of liquor flooded the country in June and the prohibition forces admitted defeat in July. In August the new phase of violation. Reports of arrests showed that New England, the North Atlantic States and the Middle West, after six months of almost complete enforcement, were still wet to the point of saturation.

SMUGGLING BY WHOLESALE AND MOONSHINING.

Wholesale smuggling from Canada was discovered in July. Moonshine raids in the South indicated that thousands of erstwhile law-abiding farmers and merchants and laborers of that region had gone into the business of making corn whiskey for sale. On July 25, dry agents reported that practically all large cities were wide open.

Raids in August showed that summer resorts, both mountain and seashore, were completely disregarding the law. Developments in New England and proved that inhabitants of the industrial cities were going into the business of making moonshine whiskey on a large scale.

Chief Magistrate McAdoo reported in September that public intoxication was on the increase in New York. Prohibition enforcement agents were exceptionally busy during that month. Automobile booze bandits made their appearance in October. The enforcement agents discovered counterfeit permits for the withdrawal of liquor and labels of one popular brand of whiskey had become an organized industry and that forged and genuine permits were openly sold in markets maintained on the streets of New York and other large cities.

Prohibition agents continued up a number of men who had been arrested in November who they said, would reveal the ramifications of a Nation-wide whiskey ring engaged in forgery, bribery and, in addition, the purchase and sale of whiskey. These revelations do not prove to be of great importance—at least that applies to such of them as are mere publicity stunts. But the whiskey smugglers appeared on the Canadian and Mexican borders and increasing despatches from the South indicated that the Volstead act was being completely disregarded.

Police court records of this city showed more arrangements for intoxication in the last few months of 1920. The profits of bootlegging were beginning to engender feuds that resulted in murders—and these are on the increase.

Section reports showed that after one year violations were general all over the country. Over 3,000 stills were destroyed in New England during 1920 the year ending 1921. The profits of bootlegging were beginning to engender feuds that resulted in murders—and these are on the increase.

The record of enforcement of the Volstead act is thus briefly summarized above. Below appears a record of the news items concerning en-

forcement and its allied activities, which have filled hundreds and hundreds of columns of newspaper space since the country went dry.

JANUARY, 1920.

Jan. 15—Many stills raided in large cities in Central Western States. Two arrests in New York City; several warrants issued in liquor cases.

Jan. 22—Three men held in Newark, N. J., on fake permit charge. Commissioner Shevlin repudiates action of bogus revenue agents who attempted to obtain possession of liquor stocks still held by saloonkeepers.

Jan. 23—One hundred saloon men are victims of bogus Federal agents, says J. J. Quigley. Jan. 25—Ranken's Cafe and premises of C. De Blase raided. Eastern Hotel, oldest in New York City, closed by prohibition.

Jan. 26, 27, 28—Many stills seized in New York City. Jan. 31—Peter Decker-Brewing Company clerks held up.

Members of Internal Revenue Department, Chicago, indicted on charge of accepting bribes.

FEBRUARY.

Feb. 3—John Fitzgerald, alias J. Mooney, killed in saloon quarrel; M. O'Shaughnessy and C. Stewart held.

Feb. 4—Carrying tanks; United States District Court will be asked if trousers of C. N. Thomas, arrested for carrying big tank, should be confiscated as vehicle and sold at auction.

Feb. 4—Agents will seize cargo of whiskey of S. S. Yarmouth. Feb. 7—Federal agents empty into snow 100 gallons of alcohol owned by Saunig & Co.

Feb. 14—Fifteen held in New York City for violation of law. Feb. 15—Hundreds of persons arrested for violation of Volstead law in suburbs of Terre Haute, Ind.

Feb. 15—Holbrook (Mass.) dwelling reveals whiskey still; A. Authier arrested. J. H. Brede, New York City, transforms his hotel into a private residence; held in jail.

Feb. 15—A. Della, arraigned, accused of retaining revenue officers by use of Gravello's name. Feb. 15—Italian S. S. Giuseppe Verdi raided for liquor.

Feb. 20—Baltimore liquor dealers and former revenue officials arrested on charge of conspiracy. Florida officials sympathetic to tales of liquor being smuggled in from Cuba and British West Indies.

Feb. 22—Guard seized with five persons filled with whiskey, worn by two visitors leaving ship in Jersey City.

Feb. 23—Arrested near Baltimore for violating law. Feb. 25—Major A. V. Dalrymple, Federal Prohibition Supervisor, arrives in New York City with five agents to arrest State Prosecutor McDonough, who swears out warrant charging Dalrymple with libel.

Feb. 25—Commissioner Roper orders Dalrymple to withdraw.

MARCH.

March 3—Five men arrested, believed members of whiskey ring operating in theatrical district.

March 4—Liquor seized on incoming ships in New York City.

March 6—C. H. Bickhart, New Haven, arrested on charge of making mash for distillation of liquor. Chicago tax collector, agent, alleged to be storing selling whiskey.

March 7—Four state officers near Vancouver stop automobile headed for United States liquor.

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March 11—Masked gang in Baltimore steals \$25,000 worth of whiskey.

Whiskey smuggler shot at Pennsylvania border. Revenue agents begin round-up in Brooklyn of drugstore selling whiskey without prescriptions.

March 15—Stewart N. McCullen, arrested on charge of technical homicide when he killed a Canton in attempt to enforce prohibition law.

March 14—103 stills seized in Alabama in month.

March 15—J. Murray holds up card players in saloon and forces shot.

March 16—Revenue agents seize stills in Mount Vernon, New York, Sheepshead Bay; G. Von Ingen arrested.

March 16—Newark to call meeting of Essex County doctors to protest against provisions of Volstead act following arrest of Dr. A. M. Muller.

March 19—\$100,000 shipment of whiskey from Maryland seized. Bandit raiders get ninety-four cases of whiskey in Lexington.

New York City. Commissioner Shevlin alleges frame-up. Search and seizure by Federal agents amounting to trespass is illegal, decides Judge C. W. Sullivan of Federal Court in Manhattan. Moch, in connection with Iron River whiskey rebellion.

April 22—H. Kelms, held in Providence, R. I., in suit under Volstead Enforcement Act on charge of selling Jamaica ginger.

April 26—Muck and Gris suspended by Shevlin. Several arrests at Coney Island for violating law.

April 27—Federal Commissioner Hiltcheek bars testimony of Dr. Stratton on whiskey drinking on ground of inexperience.

April 29—United States Submarine S-4 fired on by a chaser thinking her a liquor smuggler.

MAY.

May 3—Electrically operated torpedo loaded with whiskey are being sent daily across Canadian border into Detroit in charge of Federal Agents.

May 3—Public Welfare Commissioner Bird S. Coler says drunkenness has increased in New York City because of lax enforcement of Volstead law.

May 3—Springfield, Mass., authorities seek information on source and destination of \$40,000 worth of whiskey seized by them.

May 3—L. Moquin Jr. and his chauffeur arrested on charge of transporting liquor from city to summer home.

May 13—Illicit whiskey sales decline on report that Volstead law will be found unenforceable.

May 14—L. W. Wiley, in address as retiring President of United States Pharmacopoeial Convention, accuses doctors of breaking law by writing whiskey prescriptions.

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May 17—Fires, loaded with whiskey, sent to Detroit from New York City. May 18—Twenty-nine men in Evansville, Ind., plead guilty to charge of conspiracy to commit an offense against the Federal Government through violation of Volstead act.

May 19—J. W. Walde, Deputy Collector of Internal Revenue in New York City, arrested at Torrington, Conn., on charge of conspiracy to defraud the Government and violate the law.

May 24—Social unrest blamed on Prohibition by Connecticut Trades Union Liberty League.

May 27—Federal agents say employees of whiskey ring have confessed illegal deliveries to wealthy men.

May 28—Attempt to enforce prohibition law in Port of Montevideo leads to disorder among crew.

May 30—375 beer seized in Louisville, Ky. H. Stone arrested in New York City for storing whiskey.

JUNE.

June 1—Discovery of organized plot to remove stocks from warehouses through forged permits.

June 2—Single gang suspected of using identity of members of Chicago police all over the country.

June 3—Report that 300,000 spurious prescriptions have been issued by Chicago doctors. More forged permits discovered; raids lead to shortage of help. J. Wagner, partner of Reisenweber's, and a waiter arrested.

June 4—Many physicians and druggists involved in violations in New York.

June 5—J. Radowicz, seventy-two, syncope, arrested, sentenced to jail for sale of alcohol in New York City. Thirty-five trapped in raid in liquor permit plot.

June 6—Denial, enforcement agent, alleged to be storing selling whiskey. June 7—Liquor seized on board special train.

June 8—Liquor seized on many ships in New York City.

June 9—Raid at Pearl River uncovers plot to steal liquor from trucks to sell illicitly to saloons; three arrests; many New York cases lead saloonkeepers involved.

June 10—Falsely arrested, sentenced to jail under false permits.

June 11—Illicit sales baffles agents; umbrella bar raided; bartender arrested.

June 12—Enforcement agents, pretending to be sporting men, arrest bartender at "Billy" Gibson's cafe in the Bronx.

June 13—H. E. Maroney killed by R. Meads in Dartmouth College fraternity house over purchase of whiskey.

June 14—Meads believed to have been central figure in system of "bootlegging" from Montreal.

June 15—Meads, long baffled, van load of rum seized in Hollis. Raids in the Bronx, Chief of Police, and sixty-six officers of Police, found illicit stills of violating law and are sentenced.

New York, raided, whiskey seized; L. Fontana held.

July 7—Twenty-three arrested after holiday raids in Brooklyn and the Rockaways.

July 8—D. S. DeLongh of Bacardi Corporation indicted on charge of transportation of liquor without permit. L. Crocchini and F. Wilmot fined in automobile sold at auction for carrying liquor.

July 9—Dry agents visit New York City beach resorts; one arrest.

July 10—Agents confiscate shipment of whiskey in freight cars in Long Island City; claimant, J. R. Bono, arrested. Four Canadians taken at Niagara Falls with 500 quarts of whiskey.

July 11—Twelve-gallon illicit still seized in Raleigh County, W. Va. Boardwalk resorts raided in Atlantic City.

July 12—Thirty-five arrested in Aurora, Ill., whiskey raids.

July 13—Part of liquor lost found in road house at Mine Hill, N. J.

July 14—Ensign W. H. Cushing acquitted by court martial on charge of bringing liquor into United States from Bimini, in naval airplane. (July 28, he and Lieut. F. Lamb found guilty by Federal Court in Jacksonville, Fla.) Cafe owners and managers arrested in Atlantic City. A. Lagier, enforcement officer, arraigned on charge of aiding in illegal transportation of whiskey in New York City.

July 14—Detectives in Kearney, N. J., rout bandits and recover truck load of whiskey.

July 17—Two cows, drunk on mash, lead to discovery of still near Durham, N. C. Three-year-old boy in Newark, N. J., hospital suffering from delirium tremens. Alcoholics' drinks sold on S. S. Orizaba outside three-mile limit during international yacht races.

July 20—Four killed in moonshine raids in Kentucky.

July 21—Jersey City explosion in saloon of A. Polski kills wife, two children and unidentified boy; two others burned.

July 22—Jersey City—Polski held on charge of manslaughter. Warrants issued for cafe and cabaret owners in Atlantic City. H. Keller, head of Maxine's Hotel, and restaurant, New York City, two waiters and bartender sentenced to prison and corporation fined. (Judge Sheppard aside verdict against Keller; jail sentence against bartenders changed to fine on July 27.)

July 23—Deputy United States Marshal F. L. Bradley, and J. Murphy, Police Chief of Duluth, Minn., indicted by Federal Grand Jury on charge of transporting whiskey from Canada.

July 24—Large quantity of liquor seized in Toledo, O.

July 25—New Haven—Judge J. C. Harbo finds A. J. Sloan, managing editor of New Haven Courant-Journal, guilty of contempt of court and sentences him to jail because of articles concerning liquor raids in New Haven.

July 28—Chicago officials halt shipment of whiskey to New York City. Chief of Police Garry investigates reports of police aid in whiskey purchases.

July 29—J. Whitehead, enforcement officer, charged with murder of J. Harbo, former saloonkeeper, in Huron